

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

VIA EMAIL

July 3, 2000

Mr. Chuck Fleenor
Vice President of Gas Services
Nashville Gas Company
Division of Piedmont Natural Gas Company
1915 Rexford Drive
Charlotte, North Carolina 28211

Re: Application of Nashville Gas Company, a Division of Piedmont Natural Gas Company,
For Approval of Negotiated Gas Redelivery Agreement with Visteon Corporation
Our Docket No. 01-00530

Dear Mr. Fleenor:

The Tennessee Regulatory Authority staff is reviewing the Negotiated Gas Redelivery Agreement (hereafter the "Agreement") between Nashville Gas Company and Visteon. For proper assessment of this Agreement, we are submitting the following data requests. Refer to this as Data Request 1. Provide responses to me by July 17, 2001.

1. You refer to Visteon as a wholly owned subsidiary of Ford Motor Company. Visteon is listed on the NYSE as an independent company having been spun-off by Ford Motor Company last year. Please confirm that this contract is with Visteon, a separate company, not Ford Motor Company. Also you list several of Ford Motor Company contact people in the petition. Please explain exactly what the relationship is between Ford Motor Company and Visteon.
2. To support the assertions that the Visteon (Ford) plant made when the original contract was approved, provide the number of employees at the plant by year for 1993-2000. In addition, provide information that will support the reduced rates for the plant, such as employee retention, production levels, or other indicators to show the reduced rates have been in the public interest. Also, provide the percentage of total production cost that gas cost represents for the same time periods.
3. Provide annual gas volumes, by month, used by Ford Motor Company at this plant during 1993-2000.
4. Provide the annual gas volumes, by month, Visteon projects during the three- (3) year term of the Agreement. Include a comparison, using these three (3) years of the gas cost for Visteon under the old Agreement rates and under the new Agreement rates.

5. Will Nashville Gas provide any capacity for Visteon? If so, at what rate?
6. If Nashville Gas delivers more gas than is contracted for, will it be under the normal tariff rate for transportation, i.e. 7F? Is the service to be provided under firm transportation?
7. The previous agreement was served under contract 7I. The proposed agreement is under 7F. Why was the change made?
8. In the old contract with Ford (our Docket 98-00128), there was a special agreement listed as item No. 5 in the petition. Will Nashville Gas continue this procedure to credit their customers' accounts for 100% of the difference between the negotiated Visteon rates and the current rates as approved by the TRA? If so, provide the margin credited each month to the ratepayers with Ford, and projected for ratepayers with the Visteon Agreement. If not, please explain.
9. Provide a breakdown, by Section, of all changes (other than price changes) between the old contract and the negotiated contract? If the changes have resulted in a material difference from the old contract, provide an explanation.

If you have any questions about these questions, feel free to contact David McClanahan, Energy and Water Division, at 1-800-342-8359, Extension 177.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Waddell", with a stylized initial "D" and a long, sweeping underline.

David Waddell,
Executive Secretary

c: Bill Morris

DMc01-31visteon